

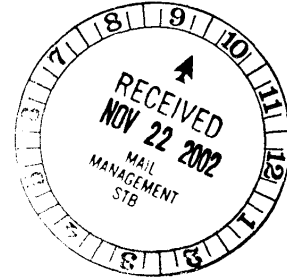


First Union Rail Corporation
NC5811
Commercial Leasing Group
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018
Tel 847 318-7575
847 318-7588

VIA UPS 2nd DAY AIR

November 21, 2002

RECORDATION NO. 22581-R **REC'D**
NOV 25 12 **9-16AM**
SURFACE TRANSPORTATION BOARD



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated November 4, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Rail America, Inc.
5300 Broken Sound Blvd., N.W.
2nd Floor
Boca Raton, FL 33487

A description of the railroad equipment covered by the enclosed document is sixty (60) 4650/4700/4750 cubic foot capacity covered hopper cars, with car numbers NOKL 067000 - 067061, inclusive.

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Amy Carone
Manager of Documentation

Enclosures

(CSCD043)

ASSGN. NO. CSCD043

RECORDATION NO. 22581-R FILED

NOV 25 12

9-15 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 4th day of November, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

SURFACE TRANSPORTATION BOARD

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 41 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of October 1, 2002, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]
Name: K. A. DOMBROWSKI
Title: DIRECTOR OF DOCUMENTATION

By: [Signature]
Name: RICHARD E. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 4th day of Nov., 2002.

[CORPORATE SEAL]

STATE OF ILLINOIS
COUNTY OF COOK

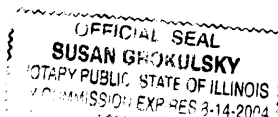
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD E. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 4th day of November, 2002.

[Signature]
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: *Sandra K. Franger*
Name: SANDRA K. FRANGER
Title: VP - Contracts

ATTEST:

By: *David McCloud*
Name: David McCloud
Title: Manager - Fleet

Executed on this 29th day of October, 2002.

[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Palm Beach

I, *Dorothy Singer*, a Notary Public of the County and State aforesaid, certify that *Sandra K. Franger* personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 29th day of October, 2002.

Dorothy Singer
Notary Public

Commission Expires:

07-16-05
(Notary Public)



Dorothy Singer
Commission # DD031124
Expires July 16, 2005
Bonded Through
Atlantic Bonding Co., Inc.

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Sixty (60) Cars

DESCRIPTION OF CARS: 4650/4700/4750 cubic foot capacity covered hopper cars with
trough hatches and gravity gates, gross rail loads of 263,000 lbs.

CAR NUMBERS: NOKL 067000 – NOKL 067061